

Message Text

CONFIDENTIAL

PAGE 01 STATE 299810

15

ORIGIN EB-07

INFO OCT-01 EUR-12 EA-07 IO-10 ISO-00 XMB-02 FEA-01 AGR-05

CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 STR-04 TAR-01 TRSE-00 USIA-06 PRS-01

SP-02 OMB-01 /112 R

DRAFTED BY EB/ITP/EWT:HKOPP:ABA

APPROVED BY H:KJENKINS

EB/ITP - MGLITMAN

EUR - JARMITAGE

TREASURY - JRVASTINE

COMMERCE/BEWT - ALENZ

STR - JGREENWALD (PHONE)

USDA - RMCDONNELL (PHONE)

EXIMBANK - EKEMP (PHONE)

----- 109396

R 200112Z DEC 75

FM SECSTATE WASHDC

TO AMEMBASSY BELGRADE

AMEMBASSY BERLIN

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY MOSCOW

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

AMEMBASSY WARSAW

USLO PEKING

INFO USMISSION GENEVA

USMISSION NATO

USMISSION OECD PARIS

AMEMBASSY VIENNA

C O N F I D E N T I A L STATE 299810

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 299810

E.O. 11652: GDS

TAGS: ETRD

SUBJECT: SENATE COMMERCE COMMITTEE HEARINGS ON EAST-WEST
TRADE

BEGIN UNCLASSIFIED.

1. HEARINGS ON "THE AMERICAN ROLE IN EAST-WEST TRADE:
PROSPECTS, PROBLEMS, AND ISSUES, 1975-1980" BEGAN ON
DECEMBER 11 BEFORE SENATOR INOUE'S FOREIGN TRADE AND
TOURISM SUBCOMMITTEE OF SENATE COMMERCE COMMITTEE. SECRE-
TARIES SIMON AND MORTON, EXIMBANK CHAIRMAN CASEY, DEPUTY
SECRETARY INGERSOLL, ASSISTANT SECRETARY OF AGRICULTURE
BELL, AND AMBASSADOR YEUTTER OF STR TESTIFIED DECEMBER 11-
12. COPIES OF STATEMENTS WILL BE POUCHED. HEARINGS
RESUME JANUARY 12 AND WILL CONTINUE INTO MARCH WITH OTHER
GOVERNMENTAL AND PRIVATE-SECTOR WITNESSES.

2. ADMINISTRATION TESTIMONY ACKNOWLEDGED AND REGRETTED IM-
PASSE ON TRADE AND EMIGRATION BUT MADE NO DIRECT APPEAL FOR
REMEDIAL LEGISLATION. ECONOMIC AND POLITICAL BENEFITS OF
EAST-WEST TRADE WERE STRESSED AND LOST OPPORTUNITIES WERE
CITED. INGERSOLL TESTIFIED THAT ADMINISTRATION SHARES
"THE URGENT DESIRE OF CONGRESS TO FIND A WAY OUT OF THE
DILEMMA WHICH WILL ACHIEVE OUR PRIMARY HUMANITARIAN PURPOSE."
SIMON EXPRESSED HOPE THAT HEARINGS WOULD HELP DISPEL CLI-
MATE OF EMOTION SURROUNDING TRADE ACT PROVISIONS ON MFN AND

CREDITS AND WELCOMED "COMMON APPRECIATION" OF CONGRESS
AND EXECUTIVE BRANCH THAT "WE MUST MOVE AHEAD" TOWARD
MORE NORMAL TRADE RELATIONS. END UNCLASSIFIED.

BEGIN CONFIDENTIAL.

3. THE ADMINISTRATION'S LOW-KEY APPROACH, DEVELOPED AFTER
CONSULTATIONS WITH KEY CONGRESSIONAL FIGURES AND LEADERS
OF AMERICAN JEWISH COMMUNITY, WAS DESIGNED TO DEMONSTRATE
THAT ADMINISTRATION CONTINUES TO FAVOR MFN AND CREDITS
FOR THE SOVIET UNION, AND AT THE SAME TIME TO AVOID THE
CONFRONTATION WITH CONGRESS AND THE JEWISH LEADERS WHICH
EARLY WOULD HAVE OCCURRED IF WE HAD OPENLY ADVOCATED
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 299810

REMOVAL OF THE LINK BETWEEN TRADE AND EMIGRATION AT THIS
TIME. APPROACH TO HEARINGS WAS ALSO DESIGNED FURTHER TO
IMPRESS UPON SOVIETS THAT PROGRESS ON HUMANITARIAN ISSUES
MUST PRECEDE AMENDMENT OF TRADE ACT.

4. SECRETARY SIMON AND DEPUTY SECRETARY INGERSOLL RECOM-
MENDED REPEAL OF JOHNSON ACT. COMMENT: NEITHER ADMINI-
STRATION NOR CONGRESSIONAL INITIATIVES SHOULD BE EXPECTED

IN NEAR FUTURE. CONGRESSIONAL SUPPORT FOR REPEAL SEEMS LACKING. END COMMENT. FOR BUDAPEST: STATE-MENTS BY WITNESSES ARE ON PUBLIC RECORD AND REFLECT CONTINUED ADMINISTRATION DESIRE FOR REPEAL. IF ASKED, YOU MAY SAY THAT THERE IS NO REALISTIC CHANCE FOR EARLY REPEAL.

5. INGERSOLL RECOMMENDED MODIFICATION OF SECTION 408 TO GIVE US GREATER FLEXIBILITY IN OUR RELATIONS WITH CZECHOSLOVAKIA.

6. SOVIET, POLISH, AND CZECHOSLOVAK EMBASSY OFFICERS ATTENDED HEARINGS.

7. AS YET UNPUBLISHED GAO REPORT ON EAST-WEST TRADE MAY BECOME FOCUS OF HEARINGS WHEN THEY RESUME IN MID-JANUARY WITH TESTIMONY BY COMPTROLLER GENERAL STAATS. REPORT IS CRITICAL OF USG POLICIES AND POLICY-MAKING BUT DOES NOT DEAL WITH EMIGRATION OR OTHER TRADE ACT ISSUES. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EAST WEST TRADE, US CONGRESSIONAL HEARINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 DEC 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE299810
Document Source: CORE
Document Unique ID: 00
Drafter: HKOPP:ABA
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750442-1099
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751223/aaaaattn.tel
Line Count: 133
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 08 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 APR 2003 by ShawDG>; APPROVED <14 OCT 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SENATE COMMERCE COMMITTEE HEARINGS ON EAST-WEST TRADE
TAGS: ETRD, US, YO
To: BELGRADE MULTIPLE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006